

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION, CARDINAL HEALTH, INC.,	: : Plaintiff, v. Defendant. :
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**07-CV-6709-DAB
ECF CASE**

**MOTION FOR ORDER DIRECTING CLERK TO DISBURSE FUNDS TO PAY
FEES AND EXPENSES OF TAX ADMINISTRATOR**

Plaintiff, United States Securities and Exchange Commission (“SEC”), respectfully requests that the Court enter an order directing the Clerk of the Court to disburse \$1,692.48 from funds on deposit in this case to the Tax Administrator in order to pay the Tax Administrator’s fees and expenses in connection with its tax compliance services for 2007.

On August 2, 2007, the Court entered a Final Judgment as to Defendant Cardinal Health, Inc. (“Final Judgment”) (docket entry no. 2). Subsequently, Cardinal paid a total of \$35,000,001 in disgorgement and civil penalties to the Clerk of this Court in accordance with the Final Judgment. On August 15, 2007, the Clerk deposited Cardinal’s payment into a court registry investment system account identified by this case name and docket number (the “Distribution Fund”). The Distribution Fund is treated as a Qualified Settlement Fund (“QSF”) under section 468B(g) of the Internal Revenue Code, 26 U.S.C. § 468B(g), and related regulations, 26 C.F.R. §§ 1.468B-1 through 1.468B-5, and is subject to federal income tax rules and regulations governing a QSF.

On August 21, 2007, the Court entered an Order granting the SEC's Motion to Appoint A Tax Administrator (docket entry no. 4) and appointed Damasco & Associates LLP as Tax Administrator for the Distribution Fund to prepare and file appropriate QSF tax returns and ensure the payment of such taxes. That Order provides, *inter alia*, that the Distribution Fund will pay the reasonable fees and expenses incurred by the Tax Administrator in connection with the performance of its duties for the Distribution Fund.

The Tax Administrator has submitted a declaration requesting payment of \$1,692.48 for its fees and expenses related to services provided in connection with preparation and filing of the 2007 US Qualified Settlement Fund Tax Return for the Distribution Fund, as described in the supporting declaration and invoice. *See* Declaration of Jude P. Damasco in Support of Fee Request ("Damasco Fee Declaration") (filed separately herewith). The SEC staff has reviewed the Damasco Fee Declaration and does not object to the Tax Administrator's request.

Accordingly, the SEC respectfully requests that this Court enter an order directing the Clerk to disburse funds to pay the Tax Administrator's fees and expenses. A proposed order will be provided by the SEC concurrently with this motion.

Dated: March 7, 2008.

Respectfully submitted,

/s/
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